

DATE IN 06/14/12	SUSPENSE	ENGINEER Ezeanyim Jones	LOGGED IN 06/15/2012	TYPE CTB 651	APP NO. PJDO 1216736206
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify \_\_\_\_\_

06RID 215099  
 W. API 30-025-40183  
 30-025-40532  
 well names TRES EQUIS STATE  
 TRES EQUIS STATE  
 Locat 624533E  
 624533E  
 524533E  
 12:45  
 RECD  
 CIMAREX

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Zeno Farris	<u>Zeno Farris</u>	Mgr Operations Admin	6/13/12
Print or Type Name	Signature	Title	Date
		zfarris@cimarex.com	
		e-mail Address	



**Cimarex Energy Co.**

600 N. Marienfeld St. ♦ Suite 600 ♦ Midland, TX 79701 ♦ (432) 620-1938 ♦ Fax (432) 620-1940  
*A subsidiary of Cimarex Energy Co. • A NYSE Listed Company • "XEC"*

Date: June 13, 2012

State of New Mexico  
Oil Conservation Division  
1220 South St Francis Drive  
Santa Fe, NM 87505  
Attn: Mr. Richard Ezeanyim

Re: Tres Equis State 2H~~1~~ & Tres Equis 5 State 1~~1~~ Surface Commingling Application

Dear Mr. Ezeanyim:

Enclosed please find a Form C-107B application for lease commingling for gas only for the referenced wells. Working, royalty, and overriding royalty interest are not identical. Please see attached proof of notification.

If you have any questions regarding this application please feel free to call or write the undersigned.

Sincerely,

Zeno Farris  
Manager, Operations Administration  
Permian Basin Region  
Phone: 432-620-1938  
Fax: 432-620-1940

Attachments:

RECEIVED-OCED  
2012 JUN 14 P 12:45

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Cimarex Energy Co. of Colorado

OPERATOR ADDRESS: 600 N. Marienfeld St, Midland Tx 79701

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
TRIPLEX; BS, WEST (96674)					

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code. Triple X: Bone Spring, West 96674

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners. ☒

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Zeno Farris

TITLE: Manager Operations Administration DATE: 6-13-12

TYPE OR PRINT NAME Zeno Farris TELEPHONE NO.: 432-620-1938

E-MAIL ADDRESS: zfarris@cimarex.com

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 15, 2009

Submit one copy to appropriate  
District Office

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

☐ AMENDED REPORT

API Number 30-025-40183	Pool Code 96674	Pool Name Triple X; Bone Spring, West
Property Code 29822	Property Name TRES EQUIS STATE	Well Number 24
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3649'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	6	24 S	33 E		330	NORTH	1980	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	24 S	33 E		330	SOUTH	1980	WEST	LEA
Dedicated Acres 159.94	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p><b>SURFACE LOCATION</b> Lat - N 32°15'11.14" Long - W 103°36'48.05" NMSPC- N 456554.8 E 763911.8 (NAD-83)</p> <p><b>PROPOSED BOTTOM HOLE LOCATION</b> Lat - N 32°14'25.42" Long - W 103°36'48.01" NMSPC- N 451935.54 E 763938.58 (NAD-83)</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Zeno Farris</i> Signature Zeno Farris Date Mgr Operations Admin Printed Name 6/13/2012</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p><i>GARY L. JONES</i> Date Surveyed 24-MAY-2011 Signature &amp; Seal of Professional Surveyor 7977 W.O. No. 2477</p> <p>Certificate No. Gary L. Jones 7977</p> <p><b>BASIN SURVEYS</b></p>
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## DISTRICT I

1625 N. French Dr., Hobbs, NM 88240  
Phone (505) 893-8181 Fax: (505) 893-8720

## DISTRICT II

811 S. First St., Artesia, NM 88210  
Phone (505) 746-1283 Fax: (505) 746-9720

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 834-8178 Fax: (505) 834-8170

## DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 478-8400 Fax: (505) 478-8468

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40532	Pool Code 96674	Pool Name Triple X; Bone Spring, West
Property Code 39181	Property Name TRES EQUIS "5" STATE	Well Number 1 H
GRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3657'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	5	24 S	33 E		330	NORTH	660	WEST	LEA

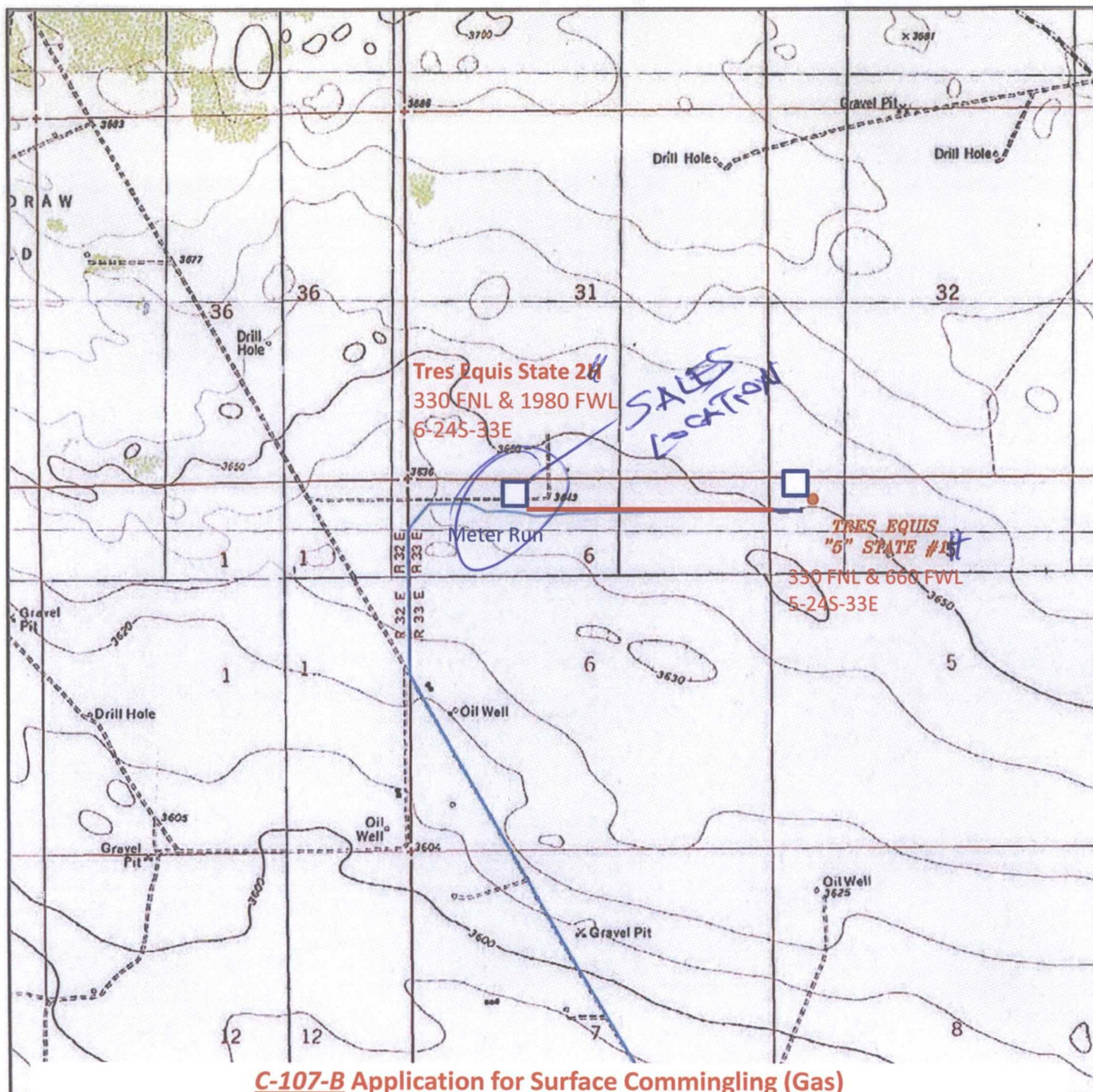
## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	5	24 S	33 E		330	SOUTH	660	WEST	LEA
Dedicated Acres 159.82	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><b>SURFACE LOCATION</b> Lat - N 32°15'11.06" Long - W 103°36'02.62" NMSPC- N 456573.9 E 767813.2 (NAD-83)</p>	<p><b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature <u>Zeno Farris</u> Date _____</p> <p>Printed Name <u>Mgr Operations Admin</u></p> <p>Email Address <u>6/13/2012</u></p>
	<p><b>PROPOSED BOTTOM HOLE LOCATION</b> Lat - N 32°14'25.39" Long - W 103°36'02.65" NMSPC- N 451958.8 E 767841.7 (NAD-83)</p>	<p><b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>Date Surveyed <u>JANUARY 10 2012</u></p> <p>Signature &amp; Seal of Professional Surveyor <u>GARY L. JONES</u></p> <p>Certificate No. <u>215099</u> 7977</p> <p>BASIN SURVEYS</p>





**C-107-B Application for Surface Commingling (Gas)**

Cimarex Energy Co.

Tres Equis State 2H

6-24S-33E

330 FNL & 1980 FWL

Lea County, NM

N.M.P.M., Lea County, New Mexico.

Tres Equis 5 State 1

5-24S-33E

330 FNL & 660 FWL

Lea County, NM

**basin**  
**surveys**

focused on excellence  
in the oilfield

1120 N. West County Rd.  
Hobbs, New Mexico 88241  
(575) 393-7316 - Office  
(575) 392-2206 - Fax  
basinsurveys.com

Survey Date: 01-13-2012

Scale: 1" = 2000'

Date: 01-17-2012



**CIMAREX**  
**ENERGY CO.**



Tres Equis State 2H  
6-24S-33E  
330 FNL & 1980 FWL  
*Triple X; Bone Spring, West*  
E/2W2 159.94 acres  
Lea County, NM

Tres Equis 5 State 1  
5-24S-33E  
2310 FNL & 1980 FEL  
*Triple X; Bone Spring, West*  
W/2W/2 159.82 acres  
Lea County, NM



**RE: Tres Equis State 2H & Tres Equis 5 State 1 Surface Commingling Application Notifications**

Energen Resources 3300 North A Street Bldg.4 Suite 100 Midland, TX 79705	Cimarex Energy Co. 600 N Marienfeld St Ste 600 Midland, TX 79701	
QRE Operating LLC. 1401 McKinney St. Suite 2400 Houston, TX 77010		
New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87504		

Confirmation  
Services

Package ID: 9171082133393916080345  
Destination ZIP Code: 79705

Energen Resources  
3300 North A Street  
Bldg. 4, Suite 100  
Midland, Texas 79705

E-CERTIFIED  
1ST CLASS FLAT

PBP Account #: 35644897  
Serial #: 3132785  
JUN 13 2012 4:35P

Confirmation  
Services

Package ID: 9171082133393916080352  
Destination ZIP Code: 77010

QRE Operating LLC  
1401 McKinney Street  
Suite 2400  
Houston, Texas 77010

E-CERTIFIED  
1ST CLASS FLAT

PBP Account #: 35644897  
Serial #: 3132785  
JUN 13 2012 4:35P

Confirmation  
Services

Package ID: 9171082133393916080338  
Destination ZIP Code: 87504

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87504

E-CERTIFIED  
1ST CLASS FLAT

PBP Account #: 35644897  
Serial #: 3132785  
JUN 13 2012 4:35P